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COMPETITION POLICY DIVISION
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William A. Sever

January 25, 2012

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Request for Special Temporary Authority for Telecom Argentina USA, WC
Docket No. 11-125

Dear Ms. Dortch:

Pursuant to Section 214(a) of the Communications Act of 1934, as amended, Telecom Argentina USA, Inc. ("Telecom Argentina USA") hereby requests Special Temporary Authority ("STA") for an additional period of 60 days to allow Telecom Argentina USA to continue providing interstate telecommunications services pending action on its application for authority for the transfer of control of its ultimate corporate parent¹ to Telecom Italia S.p.A. ("TI") and W de Argentina - Inversiones, S.L. ("W de Argentina") (the "Transaction"). Prior to the Transaction, control over Telecom Argentina USA was held by TI and its controlled company Telecom Italia International NV ("TII") (TI and TII the "Telecom Italia Group"), with the Telecom Italia Group indirectly holding 50% of the equity of Telecom Argentina USA,² and W de Argentina - Inversiones, S.L. ("W de Argentina") indirectly holding 48% of the equity of Telecom Argentina USA (having acquired all but 2% of France Telecom's ownership of Telecom Argentina).³ In early 2008, W de Argentina informed Sofora that it was exercising its

¹ Telecom Argentina USA is a wholly-owned subsidiary of Telecom Argentina S.A., which in turn is controlled by Nortel Inversora S.A., which is controlled by Sofora Telecomunicaciones S.A. ("Sofora").

² Telecom Argentina USA is a wholly-owned subsidiary of Telecom Argentina S.A., which in turn is controlled by Nortel Inversora S.A., which is controlled by Sofora Telecomunicaciones S.A. ("Sofora").

³ The earlier transaction between W de Argentina and France Telecom was reported to the Commission as a *pro forma* notification. (Letter from Jean L. Kiddoo and Troy F. Tanner to

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option to acquire the additional 2%, but due to a certain request for clarification submitted by Sofora to the local Authorities, the 2% stake was not registered in the Share Ledger under W de Argentina's name until April 17, 2009. No transfer of control applications were filed at the Commission at that time, but Telecom Argentina USA has filed for approval of that Transaction and now seeks an extension of the Special Temporary Authority last granted by the Commission on November 28, 2011. Subsequent to the transfer of the 2% interest, on August 5, 2010, certain entities of the Wertheim Group and the Telecom Italia Group entered into a share purchase agreement under which the Telecom Italia Group increased its share ownership of Sofora to 58% by purchasing equity held by W de Argentina, with the remaining 42% retained by W de Argentina, thus "undoing" the prior transfer of control. This subsequent transfer occurred on October 13, 2010. Telecom Argentina USA filed applications/notifications with the Commission with regard to this transaction (File No. ITC-T/C-20101115-00451; WC Docket No. 10-242).⁴

In its filing for approval for the transfer of control to W de Argentina, Telecom Argentina USA noted that the Commission has affirmatively passed upon the qualifications of TI as a controlling shareholder in the context of Telecom Argentina's International 214 authorization, and had been provided relevant information on W de Argentina in the notification of its acquisition of the original 48% ownership.

Grant of the STA extension will serve the public interest, convenience and necessity because it will permit the continued authorized provision of service to Telecom Argentina USA's existing customers, thereby precluding the need for any service disruption.⁵ As demonstrated in the underlying application, the control by W de Argentina was consistent with Commission

Marlene H. Dortch, dated June 29, 2004). W de Argentina also acquired an option to purchase France Telecom's remaining shares.

⁴ On March 9, 2011, Telecom Italia Group increased its share ownership in Sofora to 68% by purchasing equity held by W de Argentina, with the remaining 32% held by W de Argentina. This last transaction has no effect on the control of Telecom Argentina USA, so no filing is required.

⁵ On September 21, 2011, the Department of Justice, including the Federal Bureau of Investigation, with the concurrence of the Department of Homeland Security (collectively, the Executive Branch Agencies), filed a letter requesting that the Commission defer action on the application while they review potential national security, law enforcement, and public safety issues. See Letter from Christopher Hale, U.S. Department of Justice, to Marlene H. Dortch, FCC, WC Docket No. 11-125 (filed Sept. 21, 2011). Telecom Argentina USA has communicated with the Executive Branch Agencies, and they do not object to the requested extension. See, E-mail from Christopher Hale to Stephen Goodman, dated January 17, 2012.

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policies. As evidenced by the underlying application's eligibility for streamlined processing, transactions like this do not raise anticompetitive concerns.

Telecom Argentina USA acknowledges that grant of this STA extension request will not prejudice any action the Commission may take on the underlying application seeking retroactive approval of the transfer of control, and further acknowledges that the STA may be revoked by the Commission upon its own motion without hearing.

For the foregoing reasons, the Commission should expeditiously grant this STA request to allow Telecom Argentina USA to continue to provide service under its previous ownership. Please contact the undersigned if you have any questions.

Respectfully submitted,
Telecom Argentina USA, Inc.

By: /s/

Stephen L. Goodman
Counsel for Telecom Argentina USA, Inc.

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